

VZCZCXRO0321
PP RUEHDBU
DE RUEHDBU #0748/01 1110859
ZNY CCCCC ZZH
P 210859Z APR 06
FM AMEMBASSY DUSHANBE
TO RUEHC/SECSTATE WASHDC PRIORITY 7296
INFO RUEHDBU/AMEMBASSY DUSHANBE 8503
RUCNCIS/CIS COLLECTIVE
RUEHBJ/AMEMBASSY BEIJING 1572
RUEHAK/AMEMBASSY ANKARA 1557
RUEHNE/AMEMBASSY NEW DELHI 1486
RUEHBUL/AMEMBASSY KABUL 1490
RUEHIL/AMEMBASSY ISLAMABAD 1536
RUEAIIA/CIA WASHINGTON DC
RHEFDIA/DIA WASHINGTON DC
RHMFISS/JOINT STAFF WASHINGTON DC
RHEHAAA/NATIONAL SECURITY COUNCIL WASHINGTON DC
RUMICEA/USCENTCOM INTEL CEN MACDILL AFB FL
RUEPGDA/USEUCOM JIC VAIHINGEN GE
RUCNDT/USMISSION USUN NEW YORK 1103
RUEHBS/USEU BRUSSELS 0894
RUEHKO/AMEMBASSY TOKYO 1319
RUEHML/AMEMBASSY MANILA 0043
RUCPDOG/DEPT OF COMMERCE WASHINGTON DC
RUEATRS/DEPT OF TREASURY WASHINGTON DC

C O N F I D E N T I A L SECTION 01 OF 02 DUSHANBE 000748

SIPDIS

SIPDIS

EMBASSY MANILA: PLEASE PASS TO ADB AMBASSADOR SPELTZ

E.O. 12958: DECL: 2/14/2016

TAGS: [PGOV](#) [PREL](#) [ENRG](#) [ECON](#) [EAID](#) [AF](#) [TI](#)

SUBJECT: TAJIKISTAN'S NEW MAGIC WORD? DAST-I-ZHUM!

REF: A) DUSHANBE 711 B) DUSHANBE 326

CLASSIFIED BY: Richard Hoagland, Ambassador, US Embassy
Dushanbe, State.
REASON: 1.4 (b)

¶1. (SBU) SUMMARY: Want to take a helicopter ride with the Deputy Prime Minister and three of Tajikistan's most influential energy players? Say "Dast-i-Zhum"-- a proposed 4000 MW hydropower station on the Tajik-Afghan border - and the Tajik government pays attention, rallying busy ministers and scarce aviation resources to bring guests for an aerial view of the dam site on the Pyanzh River. The April 17 flight not only afforded PolOff and visiting water and energy experts from Embassy Kabul a birds' eye view of proposed project, it offered an opportunity for Deputy Prime Minister Ghulomov to pitch his government's case for the mega project to the United States. END SUMMARY.

¶2. (C) The helicopter excursion and its high-level participants indicated just how serious the Tajiks are about attracting interest in Dast-i-Zhum. PolOff and Embassy Kabul's Afghan Reconstruction Group (ARG) advisors had originally planned to travel by land, but when the National Bank Chairman Alimardonov heard of their plans to visit Dast-i-Zhum (reftel A), within 24 hours he had arranged not only helicopter transport, but also extraordinarily high-level attention. Alimardonov excused himself to PolOff April 15, by noting that he had to travel to Washington the following day and would regrettably not be available. In addition to Ghulomov, the party included Minister of Energy Nurmamatov, Minister of Water Abdukohir Nazirov and newly appointed head of the state electric company Barqi Tojik, Sharif Samiyev. (NOTE: Three days earlier, PolOff and ARG visitors waited for 45 minutes to see Samiyev, who after 25 minutes, with uncharacteristic frankness for a Tajik official, excused himself, noting he was still in the process of organizing his company and suggested she call on him again in a month. END NOTE.)

¶3. (SBU) During a meeting prior to the flight, Ghulomov gave

the standard Dast-i-Zhum talking points the Tajik government has promoted the past year (reftel B). According to Tajik estimates, the 4000 MW project would provide power for Tajikistan and Afghanistan, and eventual export to Pakistan and India. The irrigation benefits could open 1.5 million hectares of new agricultural lands in northern Afghanistan, potentially employing up to 3 million people in farming. He touted the counternarcotics benefit of diverting Afghan agriculture away from poppies towards more high-value crops such as potatoes, carrots, onions and potentially even cotton.

14. (C) Attendance was clearly mandatory. Standing in Ghulomov's waiting room, as various aides called the airport to arrange the trip, PolOff offered to Energy Minister Nurmamatov that the Embassy group could drive as planned, after meeting the Deputy Prime Minister. He smiled, openly relieved. "But you need to be the one to suggest it!" he cautioned. When PolOff proposed to Ghulomov that he may already have a packed schedule and did not need to spend half a day going to the border, he smiled and said, "I am a busy man, but my President told me this was what I was to do this morning." (Nurmamatov then sighed and slumped in his chair.) Samiyev burst into the pre-flight meeting 25 minutes late, clearly flustered and not sure why he had been summoned.

15. (C) During the flight, while Ghulomov pointed out the window and examined various maps and charts with EmbOffs, the rest of the delegation napped or stared out of the helicopter. Energy Minister Nurmamatov begrudgingly smiled a few times, but Water Minister Nazirov, obviously disgruntled about being there, would not engage in conversation and brushed off PolOff's attempts to make conversation or talk about the project. After 90 minutes, the helicopter deposited EmbOffs near Zigar, on the Pyanzh River, to continue their trip by vehicle. Even Ghulomov seemed

DUSHANBE 00000748 002 OF 002

eager to depart; he made cursory conversation with the local officials greeting his arrival, and quickly boarded the chopper.

16. (SBU) COMMENT: If seeing is believing, the trip may have fulfilled the Tajiks' intentions of impressing the Americans and showing that Dast-i-Zhum has real potential. The aerial view demonstrated to the visiting experts that the site was much better than it appeared on paper; few villages would be flooded by the proposed dam and the rock structure of the surrounding mountains was better to anchor a dam than other proposed hydropower sites along the Pyanzh. The project provides more than just cheaper electricity -- the expanded irrigation areas could help stabilize and boost northern Afghanistan's economy through increased agriculture.

17. (SBU) COMMENT CONTINUED: To realize the grand vision of Dast-i-Zhum, the Tajiks will need to demonstrate an extraordinary amount of cooperation with their Afghan neighbors, as well as a responsiveness to donor requirements that has thus far not been evident. The estimated price tag of \$3.5 billion is too big for donors alone to fund; private investors will need to be involved. To attract them, the Afghans and Tajiks will need a credit-worthy buyer of electricity, like Pakistan or India, to ensure cost recovery. Embassy Dushanbe has proposed a series of next steps, including bilateral working groups to resolve issues of water and electricity (septel). In addition, Tajikistan may have to come to terms with Uzbekistan and Turkmenistan on water rights, not an easy task in the current environment. Still, Dast-i-Zhum could go a long way in integrating the region economically and providing energy sufficiency for Tajikistan and Afghanistan and increased power to Pakistan and India. To get there will require a lot of heavy lifting and handholding. The key will be private and public international financial backing. END COMMENT.
HOAGLAND